

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7271

BILL NUMBER: HB 1311

DATE PREPARED: Jan 5, 1999

BILL AMENDED:

SUBJECT: Conservancy district assessments.

FISCAL ANALYST: Bernadette Bartlett

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FUNDS AFFECTED: **GENERAL
DEDICATED
FEDERAL**

IMPACT: Local

Summary of Legislation: This bill gives the board of directors of a conservancy district the option to impose the district's special or exceptional benefits taxes upon the assessed value of the land within the district, without regard to the assessed value of any improvements on that land. (Under current law, the special or exceptional benefits taxes apply to both the land and the improvements on the land.)

Effective Date: July 1, 1999.

Explanation of State Expenditures: The proposal has no state impact. The state does not pay property tax replacement or homestead credits on conservancy district levies.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: Allowing conservancy districts to impose special or exceptional benefits taxes on land without regard to improvements on the land may affect the levies assessed for conservancy districts. The impact, however, is indeterminable.

As a point of information, conservancy districts are established for flood prevention and control; drainage; irrigation and water supply; collection, treatment, and disposal of sewage and other liquid wastes; development of forests, wildlife areas, parks, and recreational facilities if feasible in connection with beneficial water management; prevention of the loss of topsoil from water erosion; storage of water for augmentation of stream flow; the operation, maintenance, and improvement of water-based recreational purposes; or comparable purposes.

In calendar year 1998, 46 counties contained at least one conservancy district. The statewide total levy for all districts was \$7.6 million with an average net tax rate of \$0.68 per \$100 of assessed valuation. Total statewide assessed value within all districts equaled \$1.4 billion with an average assessed value of \$15 million. About 60 conservancy districts exist statewide.

State Agencies Affected: Tax Commissioners Board

Local Agencies Affected:

Information Sources: Melissa Henson, Director, Budget Division, Tax Commissioners Board (317) 232-3785.